

From: "Hennesy, Pat" <phennesy@sompo-intl.com>
Sent: Thu, 1 Jun 2023 10:01:16 -0500 (CDT)
To: "Sentman, Jeremy" <JSentman@sompo-intl.com>
Subject: FW: Bonds

**Defendant's
Exhibit 13**



Patrick Hennesy
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From: Beggs, Brian <bbeggs@sompo-intl.com>
Sent: Thursday, January 16, 2020 2:31 PM
To: Hennesy, Pat <phennesy@sompo-intl.com>
Subject: Fwd: Bonds

Sent from my iPhone

Begin forwarded message:

From: "Beggs, Brian" <bbeggs@sompo-intl.com>
Date: January 16, 2020 at 2:29:43 PM CST
To: "Diers, Clinton" <clint.diers@marshmma.com>
Cc: "Sentman, Jeremy" <JSentman@sompo-intl.com>
Subject: Re: Bonds

Clint

The installment agreement was always about overdue premium. We never "let the renewals ride" and we stated as much during the meeting. Every time you state otherwise compels me to respond.

We are preparing a cash flow schedule based on the current renewable bonds in force. Our thought is setting an installment numbers little higher than the actual so we can whittle down the overdoes. As Justice works down the exposure the overdue balance pay down will accelerate and at some point we will reset

Justice can sell the equipment whenever they want, the original agreement contemplated a sale event

fairly quickly. Any proceeds would flow into collateral which in turn would be used to close out more mines

BB

Sent from my iPhone

On Jan 16, 2020, at 1:09 PM, Diers, Clinton <clint.diers@marshmma.com> wrote:

EXTERNAL SENDER

OK let me know as soon as you can. After we have your thoughts on the premium, we can look to do the call if needed.

A few thoughts on the premium:

- Last year at this time Sompco agreed to "let the premium ride" and just pay \$200k / month which basically keeps the past due balances from growing or getting older. Some go out 12 months or a little more.
- That was based on the expectation of a liquidity event which has yet to occur.
- It seems fair to adjust the premium payments to start paying back the old balances and \$300k seems very fair on chipping away at the current and past due balances.
- There is still potentially \$2MM in equipment to which Sompco has title. Can that be sold by Sompco or Justice? Financed by Justice to pay off sompco and regain title? Perhaps Sompco releases title and the monthly premium payment goes up to \$400k to pay off the past due balances that much quicker?

Just some ideas, but I think Sompco has been very fair on the collateral front and it's not too much to ask to bring the premium account current one way or another.

Thanks

CD

Clint J. Diers, SVP - Surety
Marsh & McLennan Agency LLC
4900 Libbie Mill East Boulevard, Suite 100, Richmond, VA 23230
804 915 5624 | Mobile 804 363 1171 | Fax 804 648 0655
clint.diers@marshmma.com

From: Beggs, Brian <bbeggs@sompo-intl.com>
Sent: Thursday, January 16, 2020 1:56 PM
To: Diers, Clinton <clint.diers@MarshMMA.com>
Cc: Sentman, Jeremy <JSentman@sompo-intl.com>
Subject: Re: Bonds

We just looked at the info sent

We will not be able to meet at three

We will get back with our thoughts but 200m per month is too low

Sent from my iPhone

On Jan 16, 2020, at 8:24 AM, Diers, Clinton <clint.diers@marshmma.com> wrote:

EXTERNAL SENDER

Brian, what are your thoughts on this? I know you want to catch up the premium and start working down the old past due balances.

Are you good for a the call at 3pm Central today? I can send out dial instructions.

Thanks

Clint

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From: jcj3@bluestone-coal.com <jcj3@bluestone-coal.com>
Sent: Wednesday, January 15, 2020 1:23 PM
To: Diers, Clinton <clint.diers@MarshMMA.com>; Beggs, Brian <bbeggs@sompo-intl.com>; Sentman, Jeremy <JSentman@sompo-intl.com>; Steve Ball <steve.ball@bluestone-coal.com>
Subject: Fw: Bonds

Brian & Jeremy: Attached is our best proposal that outlines how we think we both use the 5.75M to reduce the bonding exposure. We still are having trouble ticking and tying the bond premium cost. We believe that a payment of 176,833.33 per month pays the premium on a annual pro-rata basis. As middle ground I propose we pay 200,000 per month for the next 6 months. Then we re-assess where we are on paid premium vs owed, and then adjust down further if appropriate. I am ok with your plan of doing the first 2.750M of cash to lower the initial bonds. Then staging the next and the next in 500K increments. All in all I think this is a good win win for both us and Sompo that brings down both our exposures dramatically. Please take a look at these sheets, and let me know your thoughts. I look forward to our call tomorrow at 3p Central. Thanks Jay

Sent from my Porsche Design P'9983 smartphone from BlackBerry.

From: Sherry Tolley <stolley@bluestone-coal.com>
Sent: Wednesday, January 15, 2020 12:11 PM
To: jcj3@bluestone-coal.com
Subject: Bonds

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<Bond Summary.pdf>

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